



Olive oil in Europe

PRACTICAL MARKET INSIGHTS INTO YOUR PRODUCT



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Olive oil has a long tradition of use in all European and non-European Mediterranean countries; and the per capita consumption of olive oil in Northern European countries has been steadily increasing over the past decades. Olive oil is nowadays incorporated into the cooking habits of European consumers even outside the traditional producer countries. At the same time, quality of the oil can vary a lot; and in recent years consumers have lost some faith in olive oils due to fraud scandals. Therefore, high-quality and traceability are of utmost importance when approaching the European olive oil market.

Producers from outside the European Union (EU) – coming from so-called Third Countries – have basically two options for entering the market. First, there is the possibility to export olive oil in bulk to be bottled in Europe. Second, olive oil bottled in the country of origin can be imported to the EU. Successful market access requires crucial efforts in meeting the market's organoleptic¹ profile – which can differ a lot as per European country – and correct product placing & marketing.

1 Product description

Olive oil is a vegetable oil obtained from the olive (the fruit of *Olea europaea*; family Oleaceae), a traditional tree crop of the Mediterranean Basin. The oil is produced by grinding whole olives and extracting the oil by mechanical or chemical means. Olive oil is of a light yellow to golden yellow colour and has the typically slightly sweetish odour and flavour of olives.

CODES FOR OLIVE OIL: HARMONISED SYSTEM (HS)

HS code	Description
1509	Olive oil and its fractions, whether or not refined, but not chemically modified
1509 10	+ Virgin
1509 10 10	+ Lampante olive oil
1509 10 20	+ Extra virgin olive oil
1509 10 20 10	+ In containers holding 5 litres or less
1509 10 20 90	+ Other
1509 10 80	+ Other
1509 10 80 10	+ In containers holding 5 litres or less
1509 10 80 90	+ Other
1509 90	+ Other
1509 90 00 10	+ In containers holding 5 litres or less
1509 90 00 90	+ Other

2 Product specifications

2.1 QUALITY

The minimum requirements for olive oil applying to producers worldwide are covered by the Codex Alimentarius' Standard for Olive Oils and Olive Pomace Oils (CODEX STAN 33-1981, listed under Standards). This standard covers composition and quality factors for different types of olive oils (see below), including food additives, contaminants, hygiene, labelling, physical characteristics and methods of analysis and sampling.

¹ Organoleptic properties are the aspects of food or other substances that an individual experiences via the senses – including taste, sight, smell, and touch.

As an industry standard, olive oil is classified and labelled under the grades established by the International Olive Council (IOC), which apply to its members², which includes the EU and main olive oil producing countries. The grades are mainly based on type of processing, acid value (i.e. free acidity expressed as oleic acid) and taste, as explained below:

- + **Extra-virgin olive oil:** derived from virgin oil production and from first pressing only, contains not more than 0.8% acidity (0.8 grams per 100 grams), and has a superior taste.
- + **Virgin olive oil:** derived from virgin oil production only, has an acidity not more than 2% (2 grams per 100 grams), and is judged to have a good taste – though inferior to extra-virgin olive oil.
- + **Ordinary virgin olive oil:** virgin olive oil which has an acidity of not more than 3.3% (3.3 grams per 100 grams) – not permitted for sale to consumers in the EU. The background is that the progress made by producers and millers had led to an increase in production of virgin and extra virgin oils, compared to ordinary oils. Therefore, the European Commission decided to take this market development into account and permit consumers to benefit from it by removing ordinary virgin olive oil from the list of types of oil on the market in Europe. These oils should now be included under lampante olive oil (at a lower allowed acidity).
- + **Lampante olive oil:** virgin olive oil not suitable for consumption, with an acidity of more than 2% (2 grams per 100 grams).
- + **Refined olive oil:** obtained from virgin olive oils by refining methods which do not lead to alterations in the initial glyceridic structure, with an acidity of not more than 0.3% (0.3 grams per 100 grams).
- + **Olive oil:** a blend of virgin and refined production oil, of no more than 1% acidity. The mixing ratio is not fixed, thus the proportion of virgin olive oil can be 1-99%. The higher the proportion of virgin olive oil, the more intense the flavour.
- + **Crude olive-pomace (residue) oil:** from the pomace (solid residue from seeds, skins and pulp residues) that remains after pressing / extraction of the olive, a second extraction of the last remaining oil is extracted by means of solvents. Not suitable for human consumption.
- + **Refined olive-pomace (residue) oil:** obtained from crude olive pomace oil by refining methods which do not lead to alterations in the initial glyceridic structure, with an acidity of not more than 0.3% (0.3 grams per 100 grams). It is a tasteless oil.
- + **Olive pomace oil:** Refined olive-pomace oil, which is mixed with virgin oil, with an acidity not more than 1% (1 gram per 100 grams). This blend cannot be referred to as olive oil, but it is suitable for human consumption.

Based on these IOC standards, the Commission Regulation (EEC) No 2568/91 and its amendments (version 01/01/2015³) distinguishes eight categories of olive oil (**ordinary virgin olive oil is excluded** out of the nine included above). These regulations of the EU commission define which olive oil may be sold in the EU, and prevail over IOC standards.

2.2 LABELLING

This section describes the labelling requirements for olive oils sold in the EU as a bulk product. The labelling requirements are:

- + Ensure traceability of individual batches.
- + Use English for labelling purposes, unless your buyer has indicated otherwise.
- + Labels for bulk products must include the following:
 - + Product name and grade (According to Commission Regulation (EEC) No 2568/91 and its amendments)

2 Currently, IOC member countries are: Albania, Algeria, Argentina, European Union, Egypt, Georgia, Iran, Israel, Jordan, Lebanon, Libya, Montenegro, Morocco, Palestine, Tunisia, Turkey and Uruguay.
3 The latest consolidated versions (Regulation No. 2568/91 and its latest amendments) can be found under the following EUR-Lex page.

- + Batch code
- + A statement that the olive oil is destined for use in food products
- + Name and address of exporter
- + Best-before date
- + Net weight
- + Recommended storage conditions

EXAMPLE OF RETAIL LABELLING



Source: Il Palazzone

Organic (if applicable): Name / code of the certifying body and certification number.

In case the product is packaged as a final product in the origin country (i.e. in consumer bottles), the Commission Implementing Regulation (EU) No. 29/2012 (amended by Commission Implementing Regulation (EU) No. 1335/2013) on marketing standards for olive oil applies, on top of the minimum requirements of Regulation (EU) No. 1169/2011 on the provision of food information to consumers.

- + Name of product and grade of olive oil: (1) extra-virgin olive oil, (2) virgin olive oil, (3) olive oil composed of refined olive oils and virgin olive oils, (4) olive-pomace oil.
- + The categories (1) extra-virgin olive oil and (2) virgin olive oil shall bear designations of origin according to Article 4 of Regulation (EU) No. 29/2012.
- + Optional terminology: Positive attributes (fruity, bitter and pungent), according to the intensity of perception: intense, medium and light.
- + Other optional indications may include: (1) first cold pressing, (2) cold extraction, (3) organoleptic properties referring to taste and/or smell, (4) acidity or maximum acidity. These indications must comply with their respective requirements, as described in Article 5 of Regulation (EU) No. 29/2012.
- + List of ingredients.
- + Quantity/categories of ingredients.
- + Net quantity.
- + Date: minimum durability.
- + Special storage/usage conditions.
- + Declaration of allergenic substances.
- + Business name and address.
- + Instructions of usage.

Organic: In order for the olive oil to be marketed as organic-certified in the EU, it must contain the EU's organic logo. In order to include the organic logo, the olive oil has to comply with the EU regulation for organic farming & marketing. The regulation is explained more extensively on the section "What are the niche requirements?" of this document.

LABELLING OF ORGANIC OLIVE OIL IN GERMANY (EU ORGANIC LOGO ON THE RIGHT)



Source: Jordan Olivenöl

2.3 DOCUMENTATION

The list below presents some of the essential documents which are commonly required by importers in the EU.

- + Certificate of Analysis
- + Technical Data Sheet (TDS)
- + Material Safety Data Sheet (MSDS)
- + Certificate of Origin (natural vs. synthetic, local vs. imported and naturalized)
- + Allergens declaration
- + CMR declaration (non-carcinogenic, mutagenic, or reprotoxic for reproduction)
- + Declaration: free from BSE (Bovine Spongiform Encephalopathy)/TSE (Transmissible Spongiform Encephalopathy) contaminants
- + Gluten-free declaration

EXAMPLE OF BULK PACKAGING



Source: Olives South Africa

- + Heavy metals declaration
- + Non nanoparticles declaration
- + Other certificates, such as organic and Fair Trade (if applicable)

2.4 TRANSPORTATION AND STORAGE

The transport of olive oil in bulk offers a few options such as:

- + Drums (58 gallons / 220 litres)
- + Totes (275 gallons / 1,014 litres)
- + Flexitanks (5,812 gallons / 22,000 litres), according to ISO 9001:2000 standards
- + Flexitanks for liquid transportation with ISO 20' dry container
- + Flexible bags designed and developed to transport bulk olive oil.

More information on the bulk transportation of olive oil and shipping options, refer to [Olive Oil Market: Olive Oil Transportation](#). Make sure to consult your buyer on specific requirements and/or preferences regarding bulk transportation.

EXAMPLE OF CARGO TRANSPORT



Source: Olive Oil Market

Under normal transport conditions, olive oil is liquid, thus no heating is needed. However, if the temperature falls to 6°C, olive oil assumes a semiliquid consistency, with 50% of the oil precipitating out. At 0°C, olive oil is buttery in consistency. As such, the olive oil has to be heated to prevent losses in quality and to achieve pumpability. The travel temperature must be complied with as far as possible during transport, also to minimise oxidation processes.

Other measures to safeguard the quality of olive oil include the following:

- + Cleaning and drying the drums, tanks, totes or bags before loading the oil.
- + Not loading rancid olive oil.
- + Filling the tanks, totes, bags or drums as fully as possible in order to avoid ventilation and light. Ventilation must not be carried out under any circumstances, as it would supply fresh oxygen to the cargo, which would promote oxidation processes and premature rancidity.

Note that **organic olive oil must remain physically separated from conventional oils**.

More information on the appropriate conditions for the transportation of olive oil can be found under the websites of [Cargo Handbook: Olive Oil](#) and [Transport Information Service: Olive Oil](#).

2.5 CONSUMER PACKAGING

EXAMPLES OF CONSUMER PACKAGING



Source: Imgbuddy

According to (amended by Commission Implementing Regulation (EU) No. 1335/2013) on marketing standards for olive oil, the product shall be presented to the final consumer in packaging of a maximum capacity of 5 litres. Such packaging shall be fitted with an opening system that can no longer be sealed after the first time it is opened and shall be labelled according to the requirements described in the above-given "Labelling" section.

In the case of oils intended for consumption in restaurants, hospitals, canteens and other similar collective establishments, the maximum capacity exceeding 5 litres for packaging may be allowed, depending on the type of establishment concerned.

Regarding packaging materials, the most common type of consumer packaging available at European retailers is glass (mostly 0.5 litre net content, but ranging between 0.25 litre and 0.75 litre; 2 litre and 5 litre packages are also available at selected retailers). Nonetheless, other packaging solutions are available on the market, as described under the "What trends offer opportunities for olive oil on the European market?" section.

The UC Davis Olive Oil Centre's report addressing the different packaging solutions for olive oil is very helpful: [Packaging influences on olive oil quality: A review of the literature \(2014\)](#). It provides a review of the following materials: glass, aluminium, tinplate cans, stainless steel, plastic, coated paperboard and bag-in-box. In general, the report describes that the ideal packaging material prevents air and light penetration, and that the oil is stored in the dark at 16 to 18° C – which maximises shelf stability.

3 What is the demand for olive oil in Europe

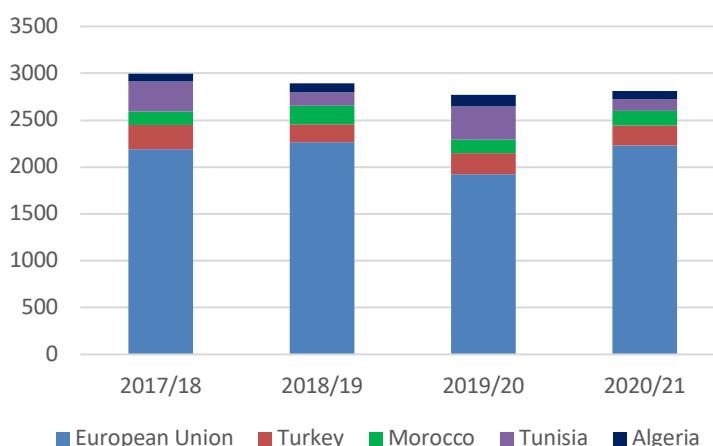
Europe is the largest importing region of olive oil in the world, accounting for more than a half of the world's total imports. At the same time, the EU is the largest producer of olive oil worldwide. Consumption is stable and in some countries growing, however differing quite a lot depending on the country.

3.1 PRODUCTION

The EU is by far the largest producer of olive oil worldwide. Production is concentrated in Spain (63%), Italy (17%), Greece (14%) and Portugal (5%), with smaller quantities also produced in France, Slovenia, Croatia, Cyprus and Malta. While production in the EU decreased between 2018/19 and 2019/20, it is expected to come back to its former production level in the 2020/21 season (Figure 1). In seasons of lower production within the EU, non-EU producers usually benefit and can exploit the gap that European suppliers leave on the market.

FIGURE 1:
LEADING PRODUCERS OF OLIVE OIL,
IN 1,000 TONNES*

Source: International Olive Council
* Data for the 2020/21 season are estimated,
Data available for download [here](#).



The [Olive Oil Times](#) continuously publishes news on the production around the world. While in the year 2020, the harvest was in some countries negatively influenced by the worldwide health crisis and related lockdowns, a far greater risk in production generally arises from climatic conditions. Climate change and severe weather conditions ever more often effect farming and can lead to high fluctuations in production. Not being able to predict the influence of climate change is one of the major difficulties in olive oil farming these days.

3.2 IMPORTS

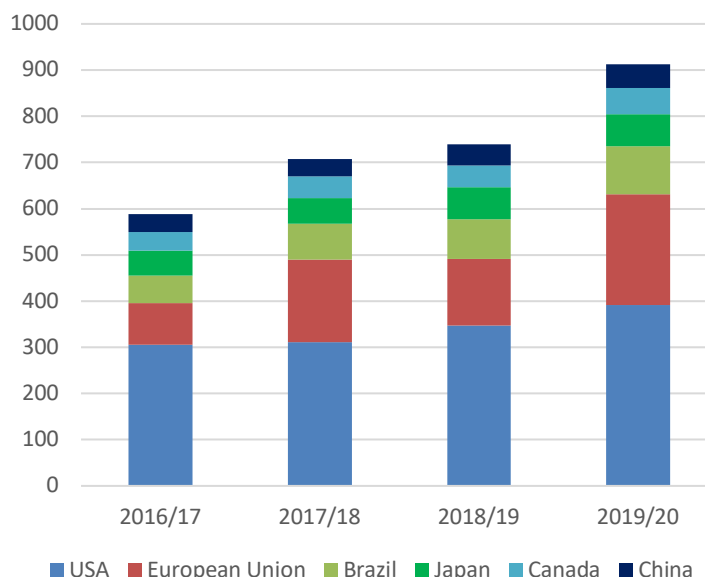
The EU is the largest producer of olive oil, but at the same time also the second largest importer of olive oil worldwide; only the US imports more olive oil (Figure 2). The five countries plus the EU displayed in Figure 2 constitute together around 79% of worldwide olive oil imports. Since the US, Brazil, Japan, Canada and China have no – or in the case of the US and China marginal – internal production, the rising imports of these countries correlate to a growing consumption. Especially rising economies are becoming important olive oil importers. Over the past 10 years, the import of olive oil into China has almost quadrupled,

Brazil has more than doubled its imports.

In contrast to this, imports into the EU are less influenced by consumption, but rather depend on domestic production and the domestically produced oil per season. Less domestic production is balanced by higher imports from Third Countries. This explains the rather large fluctuations of imports into the EU between the years (Figure 2). Regular fluctuations in imports will continue to be influenced by the olive crops and price situation, rather than changes in demand.

**FIGURE 2:
LEADING IMPORTING COUNTRIES
OF OLIVE OIL, IN 1,000 TONNES**

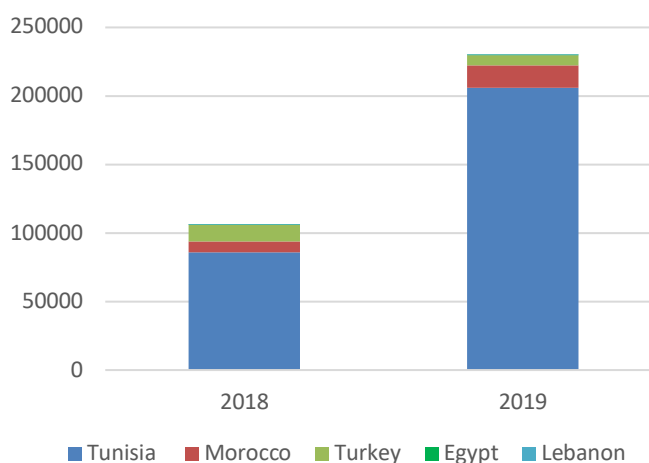
Source: International Olive Council (2021)
* Data available for download [here](#).



Imports to the EU largely come from the main Third Country producers Tunisia, Morocco, and Turkey; producing countries such as Lebanon and Egypt are marginal when it comes to EU imports (Figure 3).

**FIGURE 3:
EXPORTS FROM THIRD COUNTRIES
TO THE EU, IN 1,000 TONNES**

Source: International Olive Council (2021)
* Data available for download [here](#).



Tunisia is by far the largest importing partner of the EU. Its exports of olive oil are however quite volatile and reflect European production cycles. The increase in exporting volumes to the EU in 2019 reflects the decrease in domestic European production (compare Figure 1).

But when analysing imports into the EU, the target countries within the EU need to be looked at as well. Almost all the imports are going to Spain and Italy. According to data of the International Olive Oil Council, 93% of all imports from Third Countries went to these two countries in the 2019/2020 season. The imported olive oil is blended with oils from the countries' own production as well as other origins and then exported to other European countries. When blended and bottled in Spain and Italy, it is usually not possible for the consumer to recognize the origin of the oil.

The very high percentage of imports to Spain and Italy at the same time quite obviously displays the marginal role of direct import of olive oil from Third Countries into non-producing countries of the EU. In fact, the data of the International Olive Oil Council shows that out of the remaining 7% of imports, 54% go to France, another 10% to Belgium. So Northern countries such as Germany, the UK, or the Netherlands – which do have a recognizable consumption – basically receive all their product from inter-European trade. Direct import to these Northern European countries is negligible.

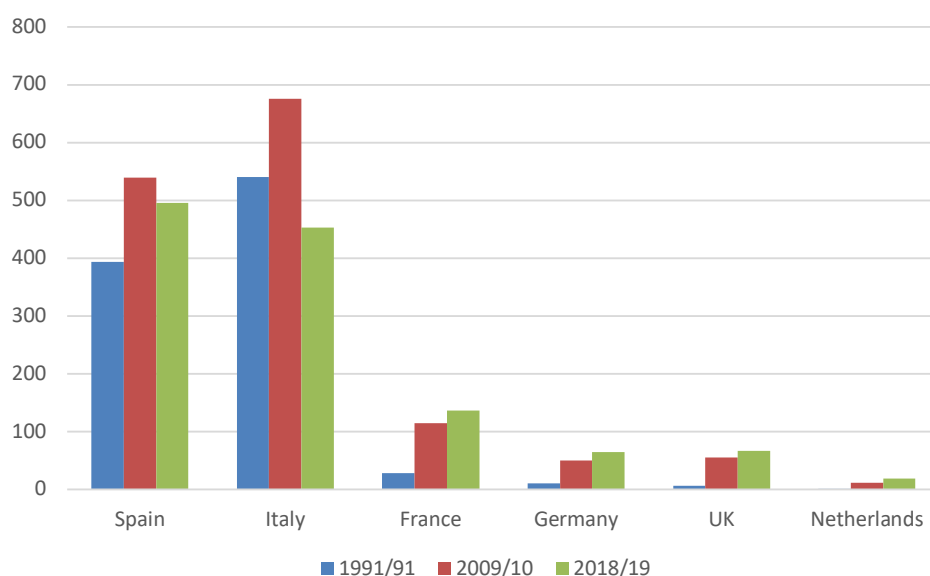
3.3 CONSUMPTION

According to the International Olive Oil Council, olive oil consumption worldwide doubled from the 1990/91 to the 2019/20 crop year. Consumption in the EU during this period has risen by 25%, but the largest increases have taken place in other regions. Argentina's consumption in the same period, for example, increased by an incredible almost 3.000%, Japan's by 1.640%, Brazil's by 670%. Even in the US and Canada, consumption rose by 350% and 475% respectively. These numbers show that olive oil entered into the kitchens of people in many countries outside its original production region within the past 30 years. Some countries that 30 years ago have consumed almost no olive oil have now become large markets for this product. But at the same time, the traditional olive oil producers and consumers did not show such an important change in behavior. In Tunisia, for example, consumption fluctuates continuously between 30,000 and 60,000 tons for the past 30 years, depending most likely on harvests and price developments.

Such worldwide developments are equally reflected inside the EU. While consumption in the traditional production countries Spain and Italy is fluctuating, Northern European countries have also changed their consumption patterns, leading to a constant increase in demand for olive oil (Figure 4).

FIGURE 4:
CONSUMPTION OF OLIVE OIL IN
SELECTED EUROPEAN COUNTRIES,
IN 1,000 TONNES

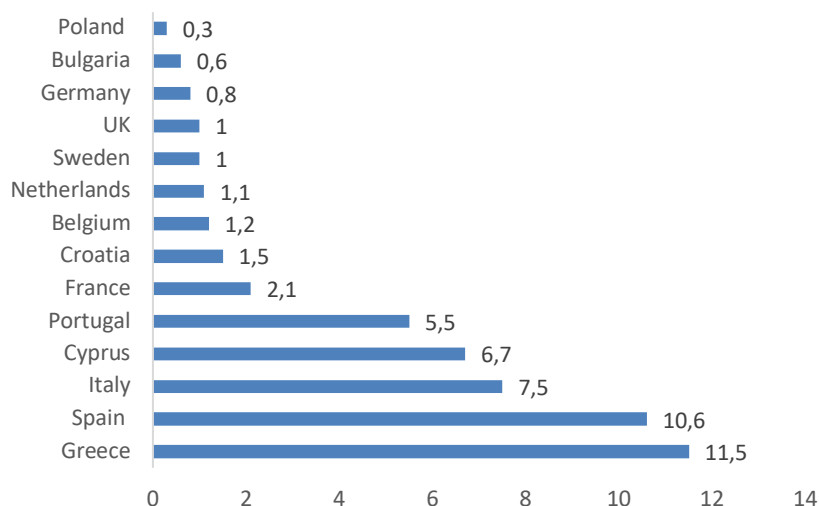
Source: International Olive Council (2021)
* Data available for download [here](#).



Spain and Italy remain, by far, the largest markets for olive oil in the EU when looking at the total market volume. The per capita consumption in these countries is very high. Other Mediterranean countries also have a high per capita consumption, but since they have a smaller population, their markets remain considerably smaller than those of Spain and Italy. Per capita consumption in non-traditional olive oil countries in Europe is much smaller (Figure 5).

FIGURE 5:
PER CAPITA CONSUMPTION OF OLIVE OIL
IN SELECTED EUROPEAN COUNTRIES,
IN KG PER INHABITANT

Source: International Olive Council (2021)
 * Data available for download [here](#).



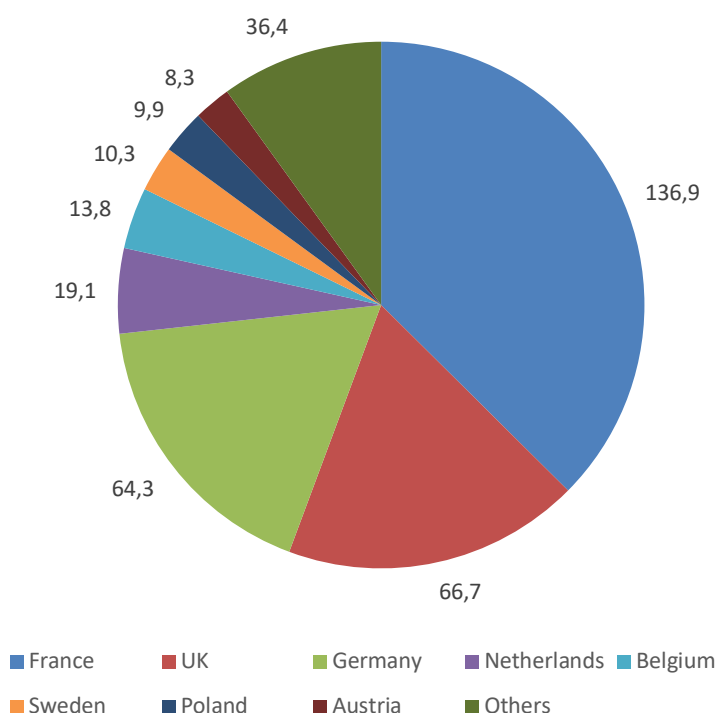
Depending on which market segment producers from developing countries plan to enter, it is interesting to look especially into the changing consumer behaviour in the non-traditional olive oil countries. The larger importing countries Spain and Italy likely remain an important trading partner for the non-EU Mediterranean countries, but almost all oil exported to these countries is later on not sold with a reference to its origin. This is, however, the interest of many producers from for example Tunisia, Turkey and Morocco – to see their oils marketed as a pure product from their country. When following this market approach, it is interesting to look at the non-traditional olive oil consuming countries and analyse their developments.

In terms of volume, France possesses the largest market for olive oil outside the traditional consumer countries. But Germany and the UK have also large markets (Figure 6). Together these three markets make up about 40% of the Northern European consumption. Since the UK has recently left the EU, this market can technically not be regarded any more as part of the EU's internal market. For producers from developing countries, this fact might become an opportunity for direct exports to the UK in the future.

But also the Netherlands, Belgium and Sweden have a considerable amount of consumption of olive oil. Most interesting is probably the recent development of Eastern European markets. Poland, for example, has only a very small per capita consumption (see Figure 5), but it already is comparable to the Swedish market (Figure 6). As Poland has a large population, a rise in per capita consumption can lead to a large market increase in this country, for example.

FIGURE 6:
CONSUMPTION IN SELECTED
NON-PRODUCING EUROPEAN
COUNTRIES, IN 1,000 TONNES

Source: International Olive Council (2021)
 * Data available for download [here](#).

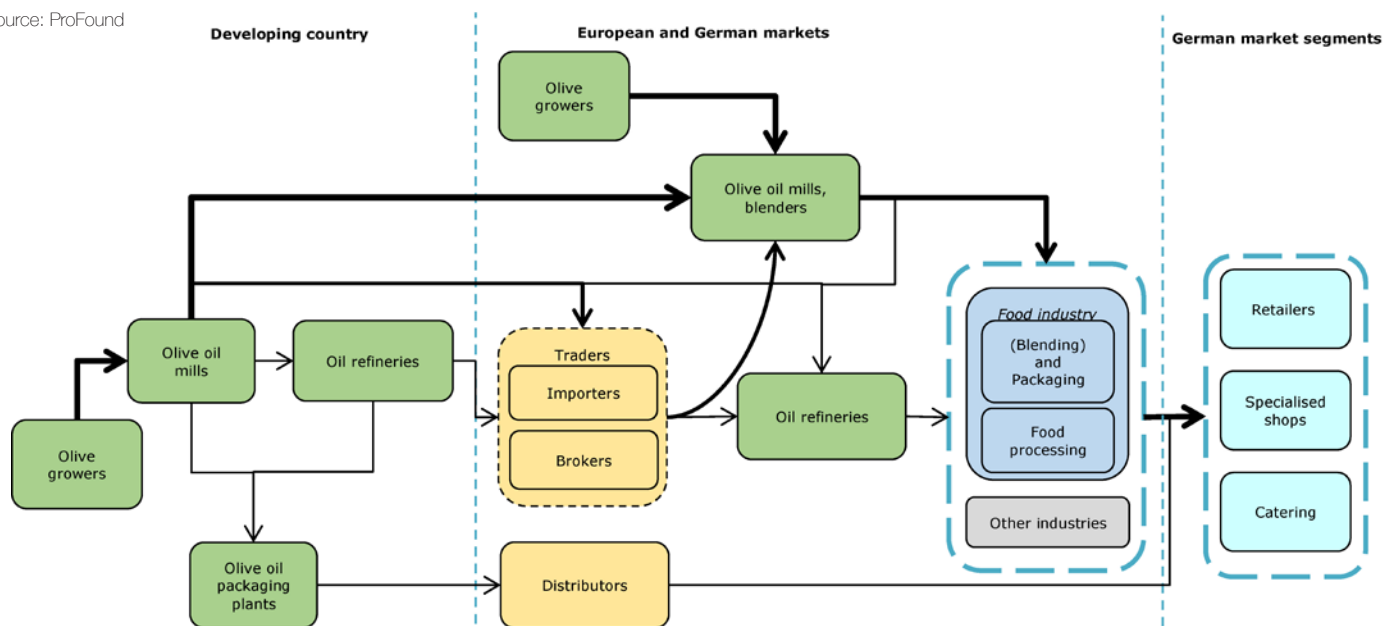


4 Market entry of olive oil into Europe

**FIGURE 7:
MARKET CHANNELS
FOR OLIVE OIL INTO EUROPE**

Source: ProFound

4.1 MARKET CHANNELS



DEVELOPING COUNTRY: PRODUCTION AND EXPORTS

Olive growers produce, harvest and transport olives to the **olive oil mill**, where olives are crushed or pressed to extract olive oil. Olive growers may work on their own or in business associations (cooperatives or agricultural partnerships). Moreover, the production of olives can also be integrated into the activities of olive oil mills.

In Europe, a large share of olive collection is mechanised, whereas in countries such as Tunisia and Morocco collection mainly consists of hand-picking. Although hand-picking safeguards the correct ripeness and reduced bruising of the olives, it can also result in longer intervals between collection and processing – thus affecting the product's quality and increasing contamination risks.

VIRGIN OLIVE OIL

Virgin grade olive oils that are fit for consumption are packed immediately following extraction, therefore, some oil mills have their own packaging facilities. The oil may also be sent to a specialised **packaging / bottling plant**. After the olive oil is put in consumer packaging, it is ready to be exported as a finished product or consumed domestically.

If olive oil is transported in bulk, it is stored in larger drums, totes, and tanks. The different packaging solutions, as described under “Product specifications”, will depend on buyer requirements and on the packaging material(s) available in the country of origin. Olive oil unfit for consumption may also be sold in bulk in order to be refined in European / other markets.

REFINED OLIVE OIL

Olive oil unfit for consumption may also be sold to local **oil refineries** to produce refined olive oil. As explained under “Product description”, the grade known as “olive oil” is a blend of varying proportions of refined and virgin olive oils. This blending may take place at the refinery.

Refined oils may either be packaged in consumer packaging or in bulk and are consumed domestically, or exported to markets in Europe / internationally.

EUROPEAN MARKETS: MARKET ENTRY, PROCESSING AND DISTRIBUTION

Virgin or refined olive oils in bulk may enter the European markets via two main channels:

- + Through the intermediary role of **traders (importers or brokers)**
- + Directly to **olive oil mills and blenders** or **oil refineries**

If you are a (relatively) small supplier of olive oil or new to the European market, it may be more sensible to enter the market through traders. These companies have an extensive network in the European/German market. Alternatively, if you can supply large volumes of good quality and priced olive oil it may be feasible to build up a long-term trade relationship with olive oil blenders. If your olive oil needs to be refined, it needs to go to a refinery in Europe, with or without going through traders.

Traders can specialise in general food ingredients, a specific product group (example: vegetable oils) or olive oils only. They intermediate the contact between exporters and customers, such as refineries and processing industries.

The by far largest share of the olive oils exported from developing countries to the EU reaches olive oil mills in olive-oil producing countries such as Italy and Spain, both directly and through traders. In these mills oils are blended with oils from other (local) origins. The olive oil is either packaged immediately or proceeds to specialised packaging / bottling companies before reaching final consumers. There are also companies in the value chain who take on all steps of this process of blending and packaging/bottling, rather than going through different channels. These players are not necessarily the primary producer and often perform the role of importers as well.

Refining of olive oils, if needed or required, takes place in oil refineries. This is an extra step before the oil is blended. Oil refineries can act as blenders as well; the refined olive oil may be blended with other (virgin) olive oils or other vegetable oils (e.g. sunflower oil) before being packaged / bottled for consumption. Packaging / bottling activities may be integrated into the oil refinery or carried out by a separate company.

Olive oil is also used by the **food processing industry** in European countries to produce a number of food products such as margarines, chips, dips, canned fish, salad sauces etc. The food industry will rarely process products using speciality olive oils.

Other industries using olive oils in their products include:

- + Cosmetics and toiletries: e.g. lotions, skin oils, creams, soaps. Find out more about olive oil as a possible ingredient for cosmetics in [CBI's Natural Ingredients for Cosmetics – Market Intelligence Platform](#).
- + Pharmaceutical: as a base for plasters and other products, carrier for active ingredients, soft gelatine capsules, nose sprays.
- + Veterinary: pet food industry.
- + Detergent industries for cleaning and hygiene.

4.2 MARKET ENTRY FOR OLIVE OIL WITH INDICATION OF A NON EU-COUNTRY AS COUNTRY OF ORIGIN

EXAMPLES OF DESIGNATED OLIVE OIL FROM A THIRD COUNTRY SOLD IN GERMANY (CURRENTLY NOT IN PRODUCTION ANYMORE)



Source: www.gesund-sein.de

By far the largest amount of olive oil imported into the EU is blended in Spain and Italy. The oil has therefore a mixed origin. Labelling rules do not require to specify the exact countries of origin; and with formulations such as “bottled in ...” or “product of ...”, consumers are often led to believe that they are buying oil from Spain or Italy, even when a large part of the oil actually comes from another country.

This does not mean that all olive oils from Spain or Italy are blended; those two traditional production countries rightly have the reputation of producing some of the best pure olive oils in the world. But this traditionally good reputation of Italian and Spanish olive oils still dominates the markets inside and outside the EU and makes it difficult for other producing countries to market their origin – even though oils from for example Tunisia, Turkey or Morocco can be of equally good quality.

In fact, the number of olive oils marketed in the EU with a reference to their origin Tunisia or Morocco, for example, is negligible. Some small amounts of oils bottled in their country of origin reach the markets through very small and individual imports (e.g. in very small quantities for delicatessen shops). In addition, there are between 2-5 importers in Northern Europe who import olive oil directly from Third Countries (mainly Tunisia), bottle it inside the EU without blending and market it with reference to its country of origin. However, these few importers usually work together with one producing partner.

The chances for producers from developing countries to market their olive oil with reference to its origin or to market it even under the producers own brand are therefore extremely small in the European market. The main reasons for this situation are firstly the traditional predominance of the Southern European producers and traders. Secondly, the EU quota regulation for olive oil imports (see next paragraph) heavily reinforces this traditional set-up.

4.3 PREFERENTIAL TRADE AGREEMENTS AND OLIVE OIL QUOTA FOR THIRD COUNTRIES IN THE EU

As the olive oil industry is of very crucial importance to the Southern European countries, there are very high protection mechanisms in place. Such mechanisms make it difficult for producers from non-EU countries to enter the mainstream market of olive oil in the EU.

The regular Third Country duty for virgin and extra virgin olive oil is currently set at 124.50 EUR/100 kg. For one of the regular 500ml olive oil bottles in a European supermarket, one can therefore calculate roughly an extra 0.90 EUR per bottle (500 ml of olive oil weigh approximately 0.7 kg). A producer from a non-EU country would thus sell his oil for almost one Euro more per bottle than the oil produced inside the EU. For some high-quality specialty oils sold in small quantities in delicatessen shops, such a price increase might be possible to justify to the consumer, but many consumers are very price-sensitive. In Germany, for example, around two thirds of olive oils are sold in discount retailers such as Aldi and Lidl ([Olive Oil Times](#)).

However, as described above, Europe also depends on imports to sustain its olive oil industry. So, the EU regularly establishes quotas for duty free olive oil imports from most relevant Third Country producers.

The highest and most discussed quota is that of Tunisia, as Tunisia is by far the largest supplier of imports to the EU. It is set at 56.700 tons per year, according to the [Commission Implementing Regulation \(EU\) 2020/761](#). In some years of production shortages inside the EU, this quota is enlarged and additional duty free imports are granted. For olive oil from Morocco (extra virgin and virgin), a duty free import of in total 2.000 tons per year into the EU is possible, as it is stipulated in the [2012 modification of the Euro-Mediterranean Agreement between the EU and the Kingdom of Morocco](#). Regardless of the quota, a security of approx. 200 EUR per ton must be deposited when importing more than 500 kg of olive oil from Third Countries.

For importers, it is necessary to apply for a licence to import under the preferential quota. This procedure is done at national bodies (e.g. Ministries of Agriculture or other agricultural government agencies) responsible for granting importing licences. Licences are only granted for importers who have a proven record in importing olive oil from Third Countries.

These regulations and procedures – which are quite complicated to understand for importers new to the olive oil sector – favour a situation in which there are almost no licences for duty free imports of olive oil granted to importers in Northern European countries. The traditional actors in Spain and Italy benefit almost to 100% from the duty free import quota.

This situation is not likely to change in the upcoming years. It is extremely unlikely for a producer of olive oil from a Third Country to be able to export directly to a Northern European importer under the preferential trade agreements. The regular import duty will in most cases apply.

4.4 COMPETITION OF OLIVE OIL TO OTHER PRODUCTS

Olive oil faces strong competition from other vegetable oils in Europe, particularly in Northern Europe where the traditional use of olive oil is less common and other types of oils are used in the kitchens. **Canola / rapeseed oil** stands at number 1. In Germany, for example, this has a market share of 37%. **Sunflower oil** also represents strong competition as cooking oil. In Germany, for example, it has a market share of 31%. It is a highly versatile oil, which is also used in cooking and within the food industry.

In most Northern European countries, olive oil represents a higher-end product than its competing products. In Germany, for example olive oil has a market share of 18%. It is not used as extensively in cooking as in South European/Mediterranean countries, but rather used as a dressing for salads, raw vegetables and in dips. In this respect, olive oil offers interesting opportunities as a premium product, marked by low volume, high quality, origin designation and certification.

Despite the limited use of olive oil for cooking purposes in Northern Europe, this is changing gradually. There is an increased interest in olive oil to replace other fats because olive oil is associated with numerous health benefits and is one of the cornerstones of the Mediterranean diet – low in saturated fats.

The market for **other premium oils** such as walnut oil, toasted sesame seed oil and almond oil is growing, but accounts for a low share of the total vegetable oil market in Europe.

5 What trends offer opportunities on the European market for olive oil?

5.1 TWO DIFFERENT MARKET APPROACHES

Producers from Third Countries should analyse their trading possibilities and potential and – with regard to the EU – basically have two choices how to approach the market:

1. Approaching importers in Spain and Italy: This is a good strategy for producers who want to sell large quantities, are content with the prices offered and have not the financial capacity to invest a large amount into market development.
2. Approaching importers in other EU countries: This can be a strategy for producers with high quality oil with multiple certification who want to invest time and money into their market development.

Due to the market situation described in previous chapters, one must be very aware that the second approach to the EU market is a high risk and very difficult undertaking. Therefore many producers of olive oil outside the EU define their target markets rather in non-EU countries. It is highly recommended to study the markets of the USA, Brazil, Canada, Japan, Switzerland and Norway as an alternative to Northern EU countries. Furthermore, producers should monitor the developments in the United Kingdom. At this point in time, the UK still follows the EU regulations on olive oil, but it is worth checking the [UK's Guidance on olive oil regulations and inspections](#) regularly to see whether a potential market will open up for direct export for non-EU countries.

5.2 CONSUMER TRENDS

Authenticity of olive oils is an important issue in Europe. The issue revolves around two main themes: **oil composition** and **oil origin**. Regarding composition, reports abound of oils sold as extra virgin oils whose composition does not correspond to the claim. As explained in "Product specifications", olive oil composition and labelling are clearly defined by legislation, being strictly monitored by customs authorities and buyers.

Origin is also a point of attention for olive oils. Until July 2009, the European Union did not require olive oil labels to state the country of origin of the olives used in the product. However, in light of a series of fraudulent origin claims, the legislative provisions under EU law clearly define the rules for "Made in" claims for olive oil. Nonetheless, industry sources indicate that the olive oil market still contains products and players who do not follow European law strictly, thus creating traceability concerns.

Due to its high economic value compared to other food products, olive oil is considered at high risk of non-compliances and fraud.

TIPS

Have a look at the [RASFF Portal](#) to trace cases of notifications and border rejections of olive oil in the European Union. For olive oil these are mostly based on adulteration, false claims (see Figure 8 below) and contamination.

Make sure to browse through various border rejections and alerts for specific olive oil under the product category 'fats and oils' after accessing the RASFF Portal. In this manner, you can learn about common problems faced by suppliers during border controls and adopt appropriate measures to avoid them.

FIGURE 8: EXAMPLE OF FALSE CLAIM
OF OLIVE OIL IN RASFF PORTAL

Source: [RASFF Portal](#)

Notification details - 2008.0867			
fraud (over 50% of the oil is not olive oil) with oil labelled as extra virgin olive oil from Italy			
Reference:	2008.0867	Notification type:	food - information - official control on the market
Notification date:	17/07/2008	Action taken:	withdrawal from the market
Last update:	18/08/2008	Distribution status:	distribution on the market (possible)
Notification from:	Germany (DE)	Product:	oil labelled as extra virgin olive oil
Classification	information	Product category:	fats and oils
Risk decision	undecided	Published in RASFF Consumers' Portal	has never been published

Although it is still a niche market, there is an increased interest in **speciality olive oils** among European consumers. This trend leads to increased opportunities for oils with a geographic indication or coming from a specific origin or terroir. Although some conventional supermarkets sell such specialty oils, they are more commonly marketed through delicatessen shops or e-tailers (online retailers); examples are: [OlivenÖlkontor](#), [Oil & Vinegar](#) and [Delinat](#). Olive oil assortments are often combined with wines, vinegars, and other delicatessen. The main drivers for the trend toward speciality products such as olive oil are consumer needs for traceability and authenticity. German consumers increasingly demand more information on the quality and origin of olive oils. In this higher-end market segment, price mark ups are also higher, but the need for proper qualities and supporting documentation is pressing.

If you want to venture into this market of specialty oils, you need to be able to ensure consistency in the sensory properties (taste, smell) of your olive oil to sell it in Europe as a consumer product. To convince consumers and retailers of your quality, it is recommended to participate in olive oil competitions in order to win. The Olive Oil Market gives an overview about the [most prestigious olive oil competitions worldwide](#).

EXAMPLE OF SPECIALTY OIL



Terra di Bari DOP (Denominazione di Origine Protetta: Protected Designation of Origin)

Source: [Olivenoelkontor.de](#)

TIPS

Make sure that you can meet the sensory (organoleptic) properties of olive oil as demanded in Europe, if you want to market blended olive oils as a branded consumer product. In Northern Europe generally, olive oil blends have a mild organoleptic profile (not too strong, not too weak). Develop expertise and skills in terms of blending and quality control to ensure that you can offer oils with this profile consistently all-year-round.

Develop a strong marketing story for your olive oil. This is essential if you want to enter the market for speciality oils, in addition to achieving a high-quality product and complying with the European law. This marketing element can possibly cover:

- + The origin of the olive oil, including elements of the producing communities
- + The (traditional) production methods
- + Environmental and social impact (substantiated with certificates)

Organic-certified olive oils are one of the strongest selling categories of organic edible oils, particularly in Northern EU-countries such as Germany and The Netherlands. This is an opportunity for suppliers who can meet the requirements for organic certification.

According to several industry sources, sales of organic olive oils in Europe are constantly growing. France and Germany are the largest markets for organic olive oil, accounting for approximately half of the total European consumption. Retail sales are roughly estimated to be nearly €300. Organic olive oil production is likely to increase in the short term, as the area planted in European producing countries grows as well. Olives cover 1/3 of the permanent organic crop area in Europe.

Growing production and offer of organic olive oil has forced organic olive oil prices down. The price difference between conventional and organic olive oils has shrunk over the last years. Many European retail chains now sell organic olive oil for lower prices than some premium conventional olive oils, often under private labels. Independent organic olive oil producers are increasingly exhibiting at leading European trade fairs. The world's leading trade fair for organic food, Biofach, has introduced a competition for organic olive oil, the Olive Oil Award Biofach. In general, the number of organic food events in Europe is growing. Other organic food events with increasing participation of organic olive oil producers include Natural & Organic Products Europe, Organic Food Iberia, Free From Functional Food Expo, Sana, Natexpo and Nordic Organic Food Fair.

TIPS

In order to market a product as “organic” in the EU, this product has to comply with the (Council Regulation (EC) No 834/2007 and Commission Regulation (EC) No 889/2008 (OJ L-250 18/09/2008) for organic production and labelling. Claims of “Natural”, “Pesticide free” or “Organic by default” are not valid without organic certification.

Always discuss your options to comply with organic certification with your buyers.

Learn more about the requirements for organic certification under the “What are the niche requirements?” section.

In line with ethical marketing, **fair trade certification** is also a growing trend for olive oils in Europe. This is an opportunity for developing country suppliers, as it can help them to distinguish their original sources. Fair trade certification is associated with a positive social impact on the producing country and with a fair pricing system for producers, which is a growing concern among consumers.

Whereas Fairtrade International /FLOCERT accounts for the largest share of the market for fair trade-certified products, other fair trade certifiers are: Ecocert and Fair for Life.

TIPS

Browse through the list of operators on the websites of the main fair trade certifiers to learn more about the certified companies and cooperatives: FLOCERT (under Oilseeds and oleaginous fruit > Olive Oil > Producer); Ecocert Fair Trade; Fair for Life.

Learn more about the requirements for fair trade certification under the “What are the niche requirements?” section.

3L BAD-IN-A-BOX CONTAINER



Source: <https://theolivepress.com>

The time is right for new **packaging solutions** of olive oil for the retail market in Europe, with an increased use of aerosol-packaging, for instance. Most olive oils are currently still packaged in bottles or cans, but, according to industry experts, these common forms of packaging lead to flavour and quality issues. Aerosol-packaged oils, on the other hand, are pure.

Another packaging becoming more and more common are bag-in-a-box solutions. Usually, one box contains 3l or 5l of oil, an amount which is interesting for consumers who use olive oil every day in their kitchen. The bag-in-a-box solution are also very interesting because they enable the producer to economize on packaging costs and storage and weight during transport make this a very attractive solution.

The trend for this new packaging is driven by the popularity of the Mediterranean diet and consumers interested in convenience, product purity and value (Olive Oil Market). This may be an opportunity for you if you can produce innovative packaging that complies with EU legislation.



Source: La Nuova Sansone

TIP

Keep in mind that, whereas innovation is encouraged, packaging solutions for olive oil must comply with the [Commission Implementing Regulation \(EU\) No 29/2012](#) (amended by [Commission Implementing Regulation \[EU\] No. 1335/2013](#)) and any extra buyer requirements communicated by your direct customer in Germany / Europe.

Another interesting development in Europe is the expansion of **package-free retailers**, which cater for a niche market segment. In such establishments, various products, including olive oil, are sold in bulk form, in an effort to avoid the excessive use of packaging/waste materials. The [Zero Waste Europe](#) website describes this development. Specialised retailers such as [Oil & Vinegar](#) also provide bulk solutions to customers, whereby they can dispense customised amounts of olive oils from (vacuum) stainless steel containers (picture). This can be an interesting opportunity for you, since your olive oil would not need to be re-packaged into consumer packaging.

6 What legal requirements must olive oil comply with?

6.1 SPECIFIC LEGAL REQUIREMENTS FOR OLIVE OIL

Specific criteria apply for olive oils intended to be sold directly to European Union customers, which cover aspects such as product characteristics, quality and purity, as discussed under the section on "Product Specifications" ([Commission Regulation \(EEC\) No 2568/91](#), consolidated version 01/01/2015⁴). These criteria describe the physic-chemical characteristics for the different categories for olive oil and olive-residue (pomace) oil (see Annex I of Regulation (EEC) No 2568/91).

In addition, methods of analysis are established for the determination of the chemical characteristics of olive oil (see Annex II to XIX of Regulation (EEC) No 2568/91). The regulation also provides maximum limits for solvents. It states that halogenated solvents (e.g. freon, trichloroethylene, perchloroethylene, chloroform) cannot exceed the maximum limit of 0.1 mg/kg per individual solvent, or 0.2 mg/kg for the total content of halogenated solvents (Article 7).

In addition, the European market for olive oil is regulated by the [Commission Implementing Regulation \(EU\) No 29/2012](#) (amended by [Commission Implementing Regulation \(EU\) No. 1335/2013](#)) which addresses the marketing standards for olive oil. The regulation highlights that olive oil has certain properties, in particular organoleptic and nutritional properties, which, taking into account its production costs, allow its access to a relatively high-price market compared with most other vegetable fats.

TIP

For a full overview of requirements for olive oil consult the [EU Access2Markets Portal](#), where you can select your specific product code under 1509 (olive oil); you can select your respective origin and export destination (e.g. Germany).

Note: Olive oils used as a food ingredient in processed food products, or exported to the European Union intended to be further processed in food products, do not fall under the scope of the Commission Regulation 2568/91 discussed above. These products only have to comply with the health and safety requirements and other requirements which apply to all food products marketed to the European Union.

⁴ The latest consolidated versions (Regulation No. 2568/91 and its latest amendments) can be found under the following [EUR-Lex page](#).

6.2 GENERAL LEGAL REQUIREMENTS FOR ALL FOOD PRODUCTS /VEGETABLE OILS

FOOD SAFETY: TRACEABILITY, HYGIENE AND CONTROL

Food safety is a key issue in EU food legislation. All food products in the EU, including olive oil, must comply with the General Food Law (Regulation (EC) 178/2002). This legislation lays down the general principles and requirements of food legislation, establishes the European Food Safety Authority and lays down procedures in matters of food safety. It also includes provisions on the traceability of food – the ability to track food products through the stages of production. For exporters to the EU, your buyers often expect you to know and document your suppliers, which products are used during your production process and to label final products for traceability in case of a food safety problem. Keep elaborate buying and sales records and implement a traceability system to keep track of the products and supplies you use.

An important aspect to control food safety hazards is defining critical control points (HACCP) by implementing food safety management principles. Products that are not considered safe will be denied access to the European Union.

In the event of repeated non-compliance of specific products originating from particular countries, such products can only be imported under stricter conditions such as having to be accompanied with a health certificate and analytical test report. Products from countries that have shown repeated non-compliance are put on a list included in the Annex of Regulation (EC) 669/2009. No cases specifically involving olive oil are currently listed under this annex.

TIPS

Read more about sanitary and phytosanitary requirements at the EU Access2Markets Portal and pay special attention to the following documents from the European Commission:

- + Import requirements and the new rules on food hygiene and official food controls
- + Implementation of certain provisions of Regulation (EC) No 853/2004 of the European Parliament and of the Council on the hygiene of foodstuffs
- + Implementation of procedures based on the HACCP principles

Check if there are any increased levels of controls for your product and country. The list is updated regularly. Check the Regulation periodically for the most recent list.

Hygiene is also an important matter when it comes to means of transportation, e.g. with bulk transport of olive oil. This means adequate cleansing of the tanks and no unacceptable residues of former freights of the tanks.

CONTAMINATION SOURCES AND MAXIMUM LEVELS

Contaminants are substances that may be present as a result of the various stages of processing, packaging, transport or storage olive oil. One of the most common problems faced by olive oil exporters is contamination derived from the raw material or from foreign matter. For this reason, it is crucial for exporters to learn and comply with the maximum contamination levels allowed by the European legislation. The different sources of contamination in olive oil, and the respective legislation addressing them, are:

- + **Polycyclic aromatic hydrocarbons (PAHs):** Contamination with PAHs, especially benzo(a)pyrene, is most common in olive pomace oil. PAHs are a group of semi-volatile organic compounds (SVOCs) that are present in crude oil. Contamination is mostly related to the drying processes where combustion gases may come into contact with the raw material. The product can be contaminated by PAHs that are present in air (by deposition), soil (by transfer) or water (deposition and transfer). The maximum limit of benzo(a)pyrene is 2.0 µg/kg. The maximum sum of PAHs is 10 µg/kg (see section 6 of Annex of Regulation (EC) No 1881/2006).

- + **Aflatoxins:** There are no aflatoxin requirements for seeds which are used for crude or refined vegetable oil (crushed or extracted) as they contain only small fractions of the aflatoxin present in matter. Nonetheless, olives can be contaminated by moulds such as *Aspergillus parasiticus* when stored for long periods; contamination can potentially be transferred to the olive oil. Consignments destined for (refined) oil should be clearly labelled with 'product to be subject to crushing for the production of refined vegetable oil'. The indication shall be included on the label of each individual bag, box etc. and on the accompanying document(s) (see section 2 of Annex of [Regulation \(EC\) No 1881/2006](#)).
- + **Dioxins and PCBs:** Limits are in place to protect human health (see section 5 in Annex of [Regulation \(EC\) No 1881/2006](#)).
- + **Heavy metals:** Oils are not allowed to contain more than 0.1 mg/kg of lead (see section 3 of Annex of [Regulation \(EC\) No 1881/2006](#)).
- + **Pesticides:** The EU has set maximum residue levels (MRLs) for pesticides in and on food products. Products containing more pesticides than allowed will be withdrawn from the EU market. Note that buyers in several Members States apply MRLs that are stricter than the MRLs laid down in EU legislation. Which MRLs buyers apply and how strict they are will vary among buyers. You always need to discuss which specific MRLs they apply.
- + **Microbiological:** In the current [EU legislation](#), no microbiological criteria have been set specifically for olive oil or other vegetable oils. Food safety authorities however can withdraw imported food products from the market or prevent them from entering the EU, when salmonella or other microbes are found present. Irradiation is a way to combat microbiological contamination at the raw material level, but its use is not allowed for oilseeds, according to [EU legislation](#).
- + **Foreign matter:** Contamination by foreign matter like chemicals, dust or other materials is a threat for vegetable oils when food safety procedures are not carefully followed. In some cases, contamination by foreign matter can adulterate the olive oil, thus creating a major threat in terms of food safety.

TIPS

On the website of the [Rapid Alert System for Food and Feed \(RASFF\)](#), you can browse through various border rejections and alerts for specific olive oil under the product category 'fats and oils' after accessing the [RASFF Portal](#). In this manner, you can learn about common problems faced by suppliers during border controls and adopt appropriate measures to avoid them. Examples are: adulteration and contamination.

The International Olive Council has specific standards and guidelines for quality control within the olive oil industry, covering production steps in mills, refineries, packing plants and olive-pomace extraction plants. Refer to the page of [IOC: Standards](#).

Read more about PAHs in vegetable oils in the EU paper [Polycyclic Aromatic Hydrocarbons – Occurrence in foods, dietary exposure and health effects \(2002\)](#).

Refer to the [Code of practice for the prevention and reduction of dioxins and PCBs in food](#) by the **Codex Alimentarius** for more information.

To find out the MRLs that are relevant for your products, you can use the [EU MRL database](#) in which all harmonised MRLs can be found. You can search on your product or pesticide used and the database shows the list of the MRLs associated to your product or pesticide.

Check the European Commission's website on food contaminants [Managing food contaminants: how the EU ensures that our food is safe](#).

Be familiar with FEDIOL's Hygiene Guides, including set procedures dealing with salmonella and other sources of contamination.

Many border rejections come from improper transport of olive oil. For information on safe storage and transport, refer to the website of the [Cargo Handbook: Olive Oil](#).

ERUCIC ACID IN OILS AND FATS

Erucic acid is a substance naturally found in some oils derived from plants, primarily in some varieties of mustard seed oil and rapeseed oil – though **not significantly high in olive oils**. The EU has set the maximum level of erucic acid to be 5% of the total level of fatty acids in the fat component of the product.

EXTRACTION SOLVENTS

Extraction solvents can be used for production or fractionation of (vegetable) oils. Be aware that there are maximum residue limits restrictions for the extraction solvents such as Ethyl-methyl-ketone (5 mg/kg, fractionation of oils) and Hexane (1 mg/kg, production and fractionation of oils) as well. Extraction solvent limits (e.g. the use of Acetone in the refining of olive-pomace oil is forbidden) are applied on top of the requirements described in [Commission Regulation \(EEC\) No 2568/91](#), specifically for olive oil.

TIP

Refrain from using extraction solvents which are not allowed by EU law! Refer to [EU Directive 2009/32s/EC](#) for more information about the restriction of such solvents.

PRODUCT COMPOSITION

Products can be rejected by buyers and EU custom authorities in case they have undeclared, unauthorised (e.g. mineral oil, Sudan 4 colour) or a high content level of extraneous materials. There is specific EU legislation for [additives and enzymes](#) (e.g. colours, thickeners) and [flavourings](#). The substances which are allowed for use in food products are listed as E-numbers. In olive oil, the use of extraneous materials is generally not allowed, but you need to be careful in using flavourings such as truffle as these are covered by the specific legislation.

TIP

E-numbers indicate approval by the EU. To obtain an E-number the additive must have been fully evaluated for safety by the competent food safety authorities in the EU (EFSA). For an overview of E-numbers refer to the Annex of [Regulation 1333/2008](#) (see under Consolidated versions). Refer to the CBI [Buyer Requirements](#) for the sector natural colours, flavours and thickeners for more information.

FOOD CONTACT MATERIALS

For consumer packaging materials which come in contact with food (e.g. bottles, containers), specific [health control provisions](#) apply. Food contact materials made from (recycled) plastic and ceramic, for instance, must be manufactured so that they do not transfer constituents to food in quantities that could endanger human health, change the composition of the food in an unacceptable way or deteriorate the taste and odour of foodstuffs. Common restricted substances are vinyl chloride monomer N-nitrosamines, N-nitrosatable BADGE, NOGE, BFDGE and heavy metals.

TIPS

The European Union legislation on food contact materials is quite extensive. It is not easy to prove to your EU importer that your product complies with all requirements. Therefore, EU importers of food products will require documentation on toxicology and risk assessment of chemical migration from food contact materials and/or declarations of compliance.

An interesting substance to be aware of is Bisphenol A (BPA). BPA is known for its use in plastic bottles. At the moment, the use of BPA is still allowed in the EU, but recent discussions have led some buyers to ban it.

LABELLING

Olive oil is subject to the general [EU Regulation 1169/2011](#) on provision of food information, which sets labelling requirements. This regulation applies to exporters of olive oils which are sold as final/consumer products.

Pre-packed products, such as olive oil in consumer packaging, that contain allergens have to be labelled in such a way that it is clearly visible to consumers that they contain allergens. Under [Regulation \(EU\) No 1169/2011](#), allergens have to be highlighted in the list of ingredients; requirements on allergen information will also cover non pre-packed foods including those sold in restaurants and cafés. Olive oil allergy is very uncommon, but undisclosed and illegal fillers containing nut oils, for instance, can be fatal to some consumers.

Nutrition and health claims suggest or indicate that a food item such as olive oil has a beneficial characteristic. These claims cannot mislead the consumer, thus they are only EU-approved, if they are based on scientific evidence. Before new nutrition or health claims are made, they have to be approved in advance by the [European Food Safety Agency \(EFSA\)](#).

TIPS

Refer to [Annex II of Regulation \(EU\) No 1169/2011](#) for an overview of all allergens.

Read more about nutrition and health claims on the [EU Commission's website on health claims](#).

Make sure to check the EU Register of nutrition and health claims made on foods for claims which are allowed for olive oil, and under which conditions.

7 What legal requirements must olive oil comply with?

7.1 FOOD SAFETY CERTIFICATION

Food hygiene (based on HACCP methodology) is a legislative requirement for producers and exporters of foodstuffs to enter the European market. But in addition to the minimum and mandatory food safety standards, buyers in the EU increasingly demand compliance with food safety standards which are more comprehensive.

By complying with such additional standards, olive oil exporters are able to enter specific market segments or gain competitive advantage in relation to their competitors. Certifications on general quality and food safety management systems from recognised and trustworthy sources demonstrate the supplier's commitment to high and consistent quality and safety. This is highly relevant to the production and handling of olive oil, especially regarding exporters of olive oil in consumer packaging. As a general rule, the further processed and packaged the product is, the stricter the quality management requirements become.

The adoption of standards which go beyond HACCP (and which specific standard) will depend on the profile of your buyer; usually large retailers and private label manufacturers are more demanding and will require compliance with one or more of the following:

- + [International Featured Standards \(IFS\): Food](#): corresponds to ISO 9001, but with a focus on food safety, HACCP, hygiene, the manufacturing process and business surroundings. The IFS is a quality and safety standard published by the union of German supermarket chains, [HDE \(Hauptverband des Deutschen Einzelhandels\)](#).
- + [British Retail Consortium \(BRC\)](#): private institution which promotes private standards, which contain more extensive rules on Good Manufacturing Practices (GMP) than HACCP, e.g. regarding organisation and communication.

- + ISO22000: this standard combines the HACCP plan with prerequisite programmes (PRPs). It specifies the requirements for a food safety management system along the food chain, up to the point of final consumption.
- + FSSC22000: this standard is based on the existing international standards ISO 22000 and ISO/TS 22002-1. It specifies furthermore aspects regarding food fraud.

All the mentioned management systems are recognised by the Global Food Safety Initiative (GFSI), which means that any of them should be accepted by your buyer. However, in practice some buyers still have preferences for one specific management system.

TIPS

When you plan to target one or more markets, check which specific food safety management systems are most commonly requested. In any case choose a management system that is GFSI approved.

Read more on the different Food Safety Management Systems at the ITC Standards Map.

An interesting Information source covering food safety standards, which also publishes news items on this topic is the website of HACCPEUROPA.

7.2 CORPORATE RESPONSIBILITY

European buyers may expect you to comply with their supplier codes of conduct regarding social responsibility, which are often based on the ILO labour standards. This can be the importer's own code of conduct or a code of conduct as part of an initiative in which the importer is participating. The adoption of those standards is most common among large-scale importers, food manufacturers and retailers.

This also affects you as a supplier. Common requirements are the signing of a suppliers' code of conduct in which you declare that you do your business in a responsible way, meaning that you (and your suppliers) respect local environmental and labour laws, stay away from corruption etc. These aspects are also investigated further in company audits carried out by your (potential) buyer.

TIPS

In selecting suppliers, European buyers will look for those with an appropriate Code of Conduct and targets for improvement in key areas such as child labour and the environmental footprint of the company. Key references at the international level are the UN Global Compact and ISO26000 Standard on Social Responsibility.

Implementing a management system such as ISO14000 (environmental aspects), OHSAS 18001 (occupational health and safety) or SA8000 (social conditions) is a complementary strategy to address sustainability and possibly gain a competitive advantage.

However, first verify with your (potential) buyer the extent to which these standards are required and/or appreciated.

7.3 REQUIREMENTS FOR NICHE MARKETS

Additional requirements for niche markets (subset of a market that focuses on a specific segment), such as environmental and social (labour) certifications, are becoming increasingly important.

ORGANIC PRODUCTS

In order for a company to market their product as 'organic' in the European market, it must comply with the EU Regulation (Council Regulation (EC) No 834/2007 and Commission Regulation (EC) No 889/2008 (OJ L-250 18/09/2008) for organic production and labelling – which is a legal requirement for all organic products. Organic products must be grown using organic production methods which are laid down in the legislation. Growing and processing facilities must be audited by an accredited certifier, before you may put the EU organic logo onto your products. The above-mentioned EU Regulation also contains specific provisions for processed foods (including labelling), a category which includes olive oil.

One of the factors which exporters must pay special attention to is whether their organic certification is de facto recognised by the EU legislation. Therefore, producers/exporters should search for a certifier whose standards are accredited by the EU. The European Commission's [Agriculture and Rural Development](#) website provides a thorough explanation of import regulations and other related issues.

Commission Regulation (EC) No 1235/2008 of 8 December 2008 laying down detailed rules for implementation of Council Regulation (EC) No 834/2007 and its latest amendments, as regards the arrangements for imports of organic products from third countries, can be found on the [EUR-Lex website](#). If you want to target niche markets in Europe, you can also try to gain a competitive advantage if you comply with [Demeter](#) or [Naturland](#) organic certification.

Organic certification applied to the olive oil value chain will contribute to traceability aspects in a market known for blending.

TIPS

Investigate the possibilities for organic certification, including the opportunities and costs involved in the process.

For information on organic certification in Europe, visit the website of [Organic Farming](#) in the European Union, which also contains guidelines concerning imports of organic products. Also consult the [International Federation of Organic Agriculture Movements \(IFOAM\)](#) website for information on certification standards.

FAIR TRADE

[Fairtrade International](#) is the leading standard-setting and certification organisation for Fairtrade. Products which carry the Fairtrade label indicate that producers are paid a [Fairtrade Minimum Price](#). Fairtrade International has a complete minimum price structure for olive oils, which are classified per origin (Northern Africa, South America and Western Asia & Middle East) as well as category (organic/conventional and extra virgin/virgin).

Other fair trade standards available in the European market are [Fair Trade Ecocert](#) and [Fair for Life](#). Fair Trade Ecocert provides for guaranteed minimum prices, producer support and good agricultural practices; this standard requires an organic certification. Fair for Life has a similar proposition, and is a standard for companies which demonstrate decent working conditions and commit to fair sourcing and responsibilities towards their primary producers. Organic certification is not compulsory for Fair for Life holders.

TIP

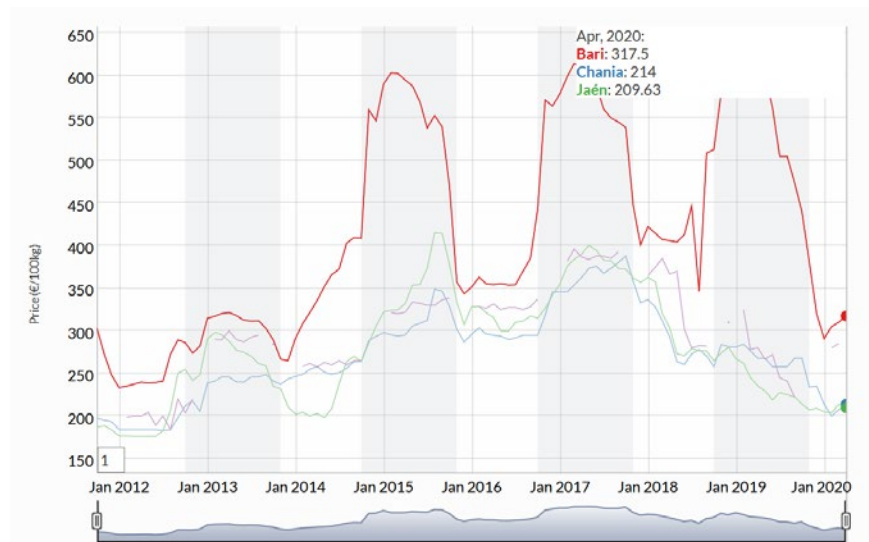
Before engaging in a Fair Trade certification programme, make sure to check (in consultation with your potential buyer) that this label has sufficient demand in your target market and whether it will be cost beneficial for your product.

8 What are the market prices for olive oil?

One of the best sources of prices for olive oil is the International Olive Oil Council. The IOC tracks the movements in the producer prices of extra virgin olive oil, refined olive oil and refined olive-pomace oil on representative markets inside the EU. As these markets account for a large share of world production, the production prices paid on them have a significant bearing on prices elsewhere. Prices are monitored at the cities of Jaén in Spain, Bari in Italy, Chania in Greece and Trás-os-Montes in Portugal.

FIGURE 9: EU PROCES OF VIRGIN OIL, IN € PER 100 KG

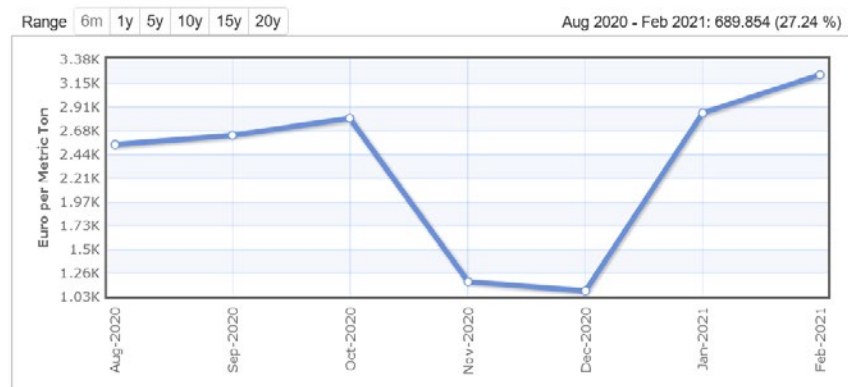
Source: [International Olive Oil Council](#)



In comparison, one can see that the world prices are quite similar to the prices monitored in the EU (see figure 10).

FIGURE 10: WORLD MARKET PRICES OF EXTRA VIRGIN OLIVE OIL, IN € PER METRIC TON

Source: [Index Mundi](#)



Retail prices differ according to the quality of the oil and the market channel. As an example, find an orientation of retail prices in the German market in the table below.

TABLE 1: RETAIL PRICES FOR EXTRA VIRGIN OLIVE OIL ON THE GERMAN MARKET

Market Segment	low	middle	high
Characteristics			
Retail channel	Discount stores	Online and conventional retailers	Specialised retailers (including online)
Origin	Blended (no origin listed)	Wide range of origins (Europe and non-Europe)	Wide range of origins; often supplemented by designation of origin
Certifications	No certifications	Organic Fair trade	Organic or organic-plus
Brands	Private label	Private label or international brands	Terroirs or geographic indication
Price	under € 5 per litre	€ 5 to € 12 per litre	over € 12 per litre

Sources: German supermarkets (Edeka, Rewe, Aldi) and specialised retailers

Although high volume and low priced olive oils make up more than half of the European market, a growing number of consumers are willing to pay more for high quality, authentic oils from a single origin, sometimes with organic certification.

9 Useful sources

International Olive Council – www.internationaloliveoil.org

Olive Oil Times – www.oliveoiltimes.com

Olive Oil Market – www.oliveoilmarket.eu

European Commission: Olive Oil – http://ec.europa.eu/agriculture/olive-oil/index_en.htm

Information Office Olive Oil in Germany – <http://olivenoel.ingds.de>

France Olive, the French olive interprofessional association (in French) – <https://afidol.org>

UK National Edible Oil Distributors' Association (NEODA) – www.neoda.org.uk

RELEVANT TRADE FAIRS

BioFach, Nuremberg, Germany – www.biofach.de/en

Anuga, Cologne, Germany – www.anuga.com

SIAL, Paris, France – www.sialparis.com/

SOURCES

CBI (2020): The European market potential for olive oil, www.cbi.eu/market-information/processed-fruit-vegetables-edible-nuts/olive-oil/market-potential

CBI (2020): Entering the European market for Olive Oil, www.cbi.eu/market-information/processed-fruit-vegetables-edible-nuts/olive-oil/market-entry

CBI/IPD (2015): Practical market insights for your product. Olive oil in Germany, www.import-promotiondesk.de/fileadmin/user_upload/Publikationen/factsheet/zutaten/Olive_Oil_160421_eng.pdf

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